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RESERVE BANK

OF

NEW ZEALAND

WELLINGTON, N.Z.

SEPTEMBER · 1952

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NOTE: Where figures are given to a certain degree of approximation the total shown may not be the same as the sum of the items.

The following symbols have been used throughout the "Bulletin":

.. = not available.

— = nil or less than half the unit employed.

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Bretton Woods

IV—INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

THE INTERNATIONAL BANK for Reconstruction and Development was established to facilitate international lending. International investment is necessary in normal times because—

- (a) In under-developed countries, where productivity is low and the people poor, savings, are quite inadequate to finance development projects and the importation of capital equipment, and foreign loans are needed. These may be useless unless supplemented by technical assistance. Such countries, however, usually have difficulty in obtaining loans.
- (b) Even countries which are relatively advanced in a technical sense may find that their ability to carry out desirable development projects is hindered by lack of foreign funds with which to finance imports of capital goods. They too may need loans which cannot easily be obtained.
- (c) When a country has a tendency towards continuous surpluses in its balance of payments on current (i.e., non-capital) account, it is generally accepted that it should be encouraged to engage in foreign investment. Unless the surpluses are corrected by this or other means, other countries will run short of its currency and have to reduce imports from it.

In addition, in the post-war period war-devastated countries needed foreign capital to help them repair physical damage, replace destroyed buildings and equipment and restore production. This aspect of the Bank's work is now completed, much of the requirements having been met by special intergovernmental loans and gifts including Marshall Aid.

If left entirely to private individuals and institutions, it is most unlikely under present conditions that international investment on a sufficient scale would eventuate. In the first place, investment in another country usually tends to be less attractive than a similar investment at home. Secondly, those countries which are in greatest need of foreign capital are the ones least likely to get it because of the high risk factor or lack of information which results from their backwardness or remoteness.

The International Bank for Reconstruction and Development was set up to help overcome these obstacles. One of its stated purposes is "to promote private foreign investment by means of guarantees or participations in loans and other investments made by private investors; and, when private capital is not available on reasonable terms, to supplement private investment by providing on suitable conditions, finance for productive purposes. . . ."

While the Bank may stimulate private investment by guaranteeing loans, its main activity up to the present has been the making of direct foreign loans on its own account. As at the end of July, the total of loans granted was \$1,434 million, of which about \$903 million had been disbursed. The United States dollar has, of course, been most in demand, but small amounts of eleven other currencies have also been disbursed.

Funds for Lending

The Bank has four sources of loanable funds, namely, its paid-up capital, sales of its own bonds, sales of securities given to the Bank by borrowers (borrowers' obligations) and earnings and repayments on loans already made.

Capital

The authorised capital of the Bank is \$10,000 million divided into 100,000 shares of \$100,000 each. As at June, 1952, the subscribed capital amounted to \$8,453,500,000. Borrowing rights are not related to the number of shares held so that no advantage other than increased voting power accrues as a result of holding a large number of shares. Usually the value of shares allotted to a member is equal to its quota in the International Monetary Fund.

A member's liability in respect of its shares falls into three parts:—

- (i) A gold payment, amounting to 2 per cent of the value of shares allotted.
- (ii) Eighteen per cent of the value of the shares payable on call in the member's own currency.
- (iii) The remaining 80 per cent not subject to call unless required to meet the Bank's obligations on funds borrowed or on loans guaranteed by it.

Although calls under (ii) provide funds in the Bank's hands, no member's currency acquired in this way may be lent by the Bank until permission has been given by the member concerned. This permission has been withheld by many members who have been in balance of payments difficulties and therefore could ill-afford to allow the Bank to lend their currencies—an action which would have resulted in an outflow of capital. However, the position is improving, and the members who have announced their willingness to release part or all of their "18 per cent" now total 28, including the United States and Canada who have released the whole of their amounts. From the Bank's and its borrowers' point of view, it is desirable to have available as many currencies as possible. This enables more loans to be made in currencies other than the dollar, and since repayments are in the currencies borrowed, the repayment burden of borrowers who tend to have a dollar deficit and whose requirements can be met from non-dollar sources is thereby eased.

The 80 per cent of subscribed share capital which remains uncalled is not likely to be required. Only if default of its borrowers is on such a scale that the Bank's income plus its reserves are insufficient to meet its obligations, would the Bank make a call on its members to meet the difference. Such a call would be uniform on all shares and would be payable either in gold, U.S. dollars, or the currency required to discharge the Bank's liability. The share liability of each member is limited to the unpaid portion of the issue price. At present the Bank is putting to reserve about \$23 million a year, compared with total annual interest charges on its own bonds of about \$15 million

Its accumulated reserves in June, 1952, were \$86 million compared with a liability of \$500 million on its own bonds outstanding. The Bank is therefore already in a very sound position.

At the end of June, 1952, the total capital of the Bank could be divided up as follows:—

	\$ millions.
2% subscription payable in gold or U.S. dollars	169.1
18% payable in member's own currency—	
(a) available for lending	663.5
(b) subject to member's approval	858.1
80% guarantee fund to meet obligations of Bank	6,762.8
TOTAL	8,453.5

Like the Fund, the Bank is required to maintain the gold value of its assets. Each member, therefore, agrees that, if its currency is devalued in terms of gold, it will increase proportionately the amount of its currency held by the Bank. Similarly, if the member's currency were appreciated, the Bank would refund to the member a proportionate part of its holdings of the member's currency.

Bond Sales

The most important source of funds for lending will probably become the sale of securities. This can take the form of either sales of the Bank's own bonds, the net proceeds from which totalled \$500 million in June, 1952, or the sale of "borrower's obligations", of which about \$56 million have now been disposed of to private investors.

The Bank's issues are gradually being accepted in the world's money markets, enabling money to be raised at favourable interest rates. It has made ten bond issues in four countries—five in the United States, three in Switzerland and one each in the United Kingdom and Canada.

These bonds channel money into international investment from sources which would otherwise regard the risk as too great. Before the Bank can make bond sales of this nature, it must obtain the permission of the member in whose currency the bonds would be paid.

Repayments and Profits

The remaining sources of funds for lending are repayments of previous loans, and the net profits of the Bank. As the scope of the Bank's operations increase, these sources of funds should also increase. In 1951-52 the net profits amounted to \$15.9 million.

Loans and Guarantees

Since the Bank must eventually borrow most of its funds for lending, it is essential that its own loans should be reasonably safe. Investors would be unwilling to take up its securities, despite the collective guarantee provided by the uncalled capital of members, if the loans made by the Bank appeared uncertain of repayment. For that reason, the following provisions apply to the lending operations of the Bank:—

1. The value of loans and guarantees outstanding must not exceed 100 per cent of the unimpaired subscribed capital, reserves and surplus of the

Bank. On present figures this would amount to about \$8,500 million.

2. Loans made or guaranteed by the Bank should be for specific projects of reconstruction or development.
3. Loans may be made only to member governments or (with guarantees by the member government, its central bank or other comparable agency) to political sub-divisions or enterprises within a member's territory.
4. The Bank must ensure that the rate of interest and other charges, and the terms of repayment, are reasonable and appropriate to the project. If the Bank guarantees a loan, it must receive suitable compensation for the risk it accepts.
5. The Bank must pay due regard to the prospective ability of the borrower or guarantor to meet its obligations on the loan.
6. The Bank has to make certain that the loan moneys are used only for the purposes for which the loan was granted.
7. It must pay attention to considerations of economy and efficiency without regard to political or other non-economic influences or considerations. In particular, loans shall not be "tied" to expenditure in particular countries.

In general the Bank's loans are intended to finance the foreign exchange cost of any project, but in special circumstances when the borrower is unable to raise internal finance on reasonable terms the Bank may supply local currency as part of the loan.

Repayment

The terms of repayment, the rate of interest and the conditions of the loan are determined by agreement between the borrower and the Bank. For a period of ten years from its inception, the Bank is to charge an additional commission of not less than 1 per cent and not more than $1\frac{1}{2}$ per cent per annum on all guarantees, and on all loans made from borrowed funds. In practice, the Bank has charged 1 per cent per annum commission on all guarantees and loans irrespective of the source of the loan moneys. This commission is paid into a special reserve to meet the Bank's liabilities on borrowings or guarantees in the event of any defaults. At the end of ten years, the Bank may reduce this commission on all outstanding or future loans or it may increase it above the upper limit on future loans.

Interest repayments and commission on loans are generally payable in the currency loaned. At the option of the borrower, however, such payments and also repayments of principal may be made in gold. If the Bank agreed, such payments may be made in currencies other than those borrowed or laid down in the loan contract. In the case of a borrowing member in acute exchange difficulties, the Bank may, on the application of that member, relax the conditions of payment, provided it is satisfied that such relaxation is in the interests of the member concerned, the Bank and the members as a whole.

Negotiating a Loan

Negotiation for a loan takes place in a number of stages. Generally the Bank prefers to have informal exploratory discussions before further investigation takes place. In these discussions the Bank satisfies itself that the project comes within its scope, and if

the loan is to be a private borrower the government concerned has to assure the Bank that it will guarantee the loan. The negotiation of the loan then usually proceeds as follows:—

- (a) An inquiry into the economy of the member, which covers such matters as the ability of the member to bear further overseas debt, and the priority of the particular project in the order or necessary works.
- (b) A study of the particular project by engineering or other technical experts to see that it is well conceived. These studies often result in improvements being made, and on occasions completely new projects have been suggested. The Bank's economic experts also assure themselves that the scheme will be beneficial and that the market for the products of the project is sound.

After satisfactory conclusion of these investigations, formal negotiations for the loan then take place. Such matters as the interest rate to be charged and any special conditions are then decided. The Bank's policy regarding interest is to charge the rate at which it can currently borrow, plus a small amount to cover administration charges, plus the 1 per cent commission which is put to a special reserve. It does not charge interest on the whole of the loan from the time it is made available but only on the amount actually disbursed, although a small amount is charged on the remainder to cover the cost incurred by the Bank in holding the money available. Loans are made for varying periods, but are usually repayable in instalments over periods of from 15 to 30 years. In some instances, however, such as the purchase of aircraft which have a high rate of depreciation, the term is much shorter.

Although the loans made by the Bank are expressed in United States dollars, this is merely for convenience, and in fact they may consist of any or a number of currencies. Two considerations influence the currencies in which the loans are made. Firstly, except in special circumstances, the Bank requires borrowers to make a world wide call for tenders in order that the best available equipment is obtained at the best price. Secondly, the Bank prefers its loans to be in currencies which the borrower would find most easy to repay and for this reason, other things being equal, non-dollar sources are favoured. Thus, if for example French francs are required, and the Bank can (with the approval of the French Government) supply them

either from its own resources or by borrowing in France, repayment is in francs. However, if the francs are not available in either of these two ways, the Bank has no alternative but to buy francs in exchange for gold or dollars, and then to lend the francs. In this case the borrower would have to repay in gold or dollars.

The following particulars of several typical loans illustrate the purposes for which bank loans are made:

South Africa: Two loans were made to South Africa in January, 1951, to assist in financing a six-year development programme. The first was for \$30 million lent on the guarantee of the Union Government to the Electricity Supply Commission for the purchase of generating, transmission and distributive equipment. It bears interest at 4 per cent and is repayable over a 20-year term. The second loan was made direct to the Union Government to finance the improvement of railways, road services, air-ports and harbours. This loan is for \$20 million at $3\frac{1}{2}$ per cent for fifteen years.

Australia: The loan of \$100 million made to Australia in August, 1950, was to help purchase capital goods and equipment needed for development projects both private and governmental over the years 1951 and 1952, e.g., equipment for farmers, construction machinery, diesel-electric locomotives, and steel-mill machinery. This loan bears interest at $4\frac{1}{2}$ per cent and is repayable over a 25-year term. Recently, a further loan of \$50 million was granted to Australia to assist in the continuation of the above programme.

Brazil: In January, 1951, the Bank made a loan of \$15 million to the Brazilian Traction, Light and Power Company to help finance a power development programme. It was guaranteed by the Brazilian Government and is for a 25-year term at $4\frac{1}{2}$ per cent.

Turkey: In many countries the need is for many small loans to private business. An example of one method by which the Bank provides assistance of this nature is the loan of \$9 million to the Industrial Development Bank of Turkey made in October, 1950. This loan is at $3\frac{1}{2}$ per cent and will be repaid over a 15-year term. It will be used to develop private industry which would otherwise be unable to obtain the overseas credit necessary to import industrial equipment.

So far about 70 loans have been made by the Bank, and many more are in process of consultation. There have been no defaults and no delays by borrowers in payments of interest or repayment of principal.

Economic Conditions In Australia

IN MID-1951, the Australian economy was experiencing increasing inflationary pressures which were the cumulative effect of extensive investment programmes, large scale immigration, the expanding defence programme, regular large wage increases, and the abnormally high export income and foreign trade balance resulting from the high wool prices of the 1950-51 season.

Trade was booming, vacancies for labour were numerous, and prices were rising steadily. To prevent the situation becoming out of hand, existing anti-inflationary measures were being strengthened. Stricter controls of credit and capital issues were introduced and supplemented by drastic fiscal action. The 1951-52 Budget aimed at an unprecedented surplus of £114

million; expenditure on public works, subsidies and administration was cut, heavy sales taxes were imposed on luxury items and income tax rates increased.

By mid-1952, the situation had changed in many aspects. Prices and wages were still rising but retail trade had declined in value, credit was tight, employment showed signs of falling off, the favourable balance of payments of the previous year had become a large deficit, and Stock Exchange prices were just beginning to recover from the lowest level reached for some years.

The major influence has been the changes in world commodity markets and the consequent fluctuations in Australia's balance of external receipts and payments. Exports fell during the year ended June, 1952, by £308 million or over 30 per cent compared with the previous year, whilst imports increased by a similar amount to a total of £1,050 million, over 40 per cent higher than in the previous year. The overall balance of payments on current account in 1951-52 showed a deficit of £576 million compared with a surplus of £94 million a year earlier. The decline in export values was due not only to lower wool prices but also to a smaller volume of meat and dairy produce available for export. This smaller volume has been attributed to bad seasonal conditions (floods, droughts and bush fires), to the low returns relative to cost offered to dairy and meat producers, and to the increase in home consumption.

To meet the situation caused by the balance of payments deficit and the consequent loss of external reserves, drastic import cuts involving reductions ranging from 40 to 80 per cent in various commodity groups were imposed in March, 1952, to protect overseas funds. Although as a result of the large imports, stocks of goods have been high, these cuts may lead to shortages in 1953.

While world commodity prices were tending to fall, local prices tended to keep rising, and this led to consumer resistance, partly in anticipation of expected price falls. Many consumer industries, the textile and light metal industries in particular, began to feel the pressure of these factors at the same time as the rapid flow of imports introduced a new competitive element. The continued increase of local costs, particularly wages, further affected these industries which began to reduce activity and staffs. The effect of tighter money was particularly marked in the building industry. In spite of a large unsatisfied demand for houses, inability to finance construction at the high prices ruling has led to a falling off in the number of houses commenced. This has had three results—builders and tradesmen have begun to find work difficult to get, even though wage and material costs have risen, quotations for houses have fallen; and supplies of many building materials are now immediately available for the first time in many years. Some timber and brick producers are in fact curtailing output.

The reduced activity in the industries mentioned has resulted in some transfer of labour and resources into the major basic industries. The transport and heavy industries were able to fill vacancies, and at the end of June, although skilled men were still being

sought, it was becoming more difficult to place unskilled labour. Registrations for unemployment benefit have not been extensive relative to total employment but have been increasing.

Because of the better supply of labour and of a relative absence of large scale industrial disputes, production of basic materials such as coal, iron and steel increased appreciably. One result, however, has been to increase the strain on the railway and coastal shipping services.

The fall in export incomes, a decline in the rate of capital inflow into Australia, the increase in imports and the credit restrictions combined to bring about a considerable degree of monetary tightness. The Government found itself unable, in spite of offering higher interest rates, to finance all its works programme by public loans, and used its revenue surplus for this purpose. Market rates of interest have continued at a much higher level than a year previously, and most of the controls imposed in war-time over interest rates have been relaxed or removed. The rules governing bank overdrafts were revised in May to allow bank credit to be used more freely for working capital and for development of rural industries.

The Commonwealth Bank also assisted the trading banks to finance the heavy import programme by releasing some £380 million from their "special accounts".

The 1952-53 Budget has been designed to give some incentive to industry by removing the special income tax levy imposed last year, reducing company taxation, and abolishing federal land taxes, and also to stimulate retail trade by reductions in sales tax. Only a nominal budget surplus has been provided for and, although the Commonwealth has made considerable reduction in its own and the States' works programmes, it has indicated that a portion of the works programme may be financed from bank credit. The immigration programme has been recast to reduce the inflow next year to 80,000, about half of what it has been in recent years.

Australia has been experiencing a period of adjustment following the interruption of a long period of rising export incomes, expanding money supply and expanding employment. The long-term prospects remain good, but in the short run several problems have to be solved. Foremost of these are the objectives of expanding primary production and exports and the extension and modernisation of transport facilities, while at the same time there is the problem of curbing increases in costs. Various measures have been introduced to give primary producers relief from rising costs, and pay-outs to dairy and wheat farmers have been increased. Development projects to bring in and irrigate more land are under way. Loans from the International Bank are providing overseas resources to assist in development programmes, the most recent loan of \$50 million announced in July being allocated to projects designed to aid agriculture, mining, transport and manufacturing.

(A table and graphs on page 152 show in some detail the main economic trends in Australia.)

Dairy Produce Agreements

The New Zealand Dairy Products Marketing Commission has announced the prices to be paid by the United Kingdom for New Zealand dairy products shipped under bulk-purchase contracts in the 1952-53 selling season commencing on 1st August, 1952.

The new prices (all f.o.b.) in shillings per cwt. and with the former prices given for comparison, are as follows:

UNITED KINGDOM-NEW ZEALAND BULK PURCHASE CONTRACT PRICES FOR DAIRY PRODUCE

(Shillings sterling per cwt f.o.b.)

	Season	
	1951-52	1952-53
Creamery Butter:		
Finest grade, 93 points and over	292/-	314/-
First grade, 90 to 92½ points	290/9	312/9
Second grade	282/-	304/-
Whey Butter:		
First grade	272/-	294/-
Second grade	267/-	289/-
Cheese:		
Finest grade, 93 points and over	161/6	176/6
First grade, 91 to 92½ points	151/6	166/-
Second grade		
Skim Milk Powder:		
Spray dried	84/6	91/-
Roller dried	70/-	75/6
Buttermilk Powder	60/-	65/-

The price for butter has been increased by the maximum variation of 7½ per cent allowed under the bulk purchase agreement, while the price for cheese has been appropriately adjusted.

The rate of differential between the various grades in each product is unchanged.

New Zealand has agreed to sell to the United Kingdom in the 1952-53 season not less than 87½ per cent of the exportable surplus of butter and not less than 90 per cent of the exportable surplus of cheese, compared with an agreed 85 per cent for both butter and cheese in the 1951-52 season.

Provided production levels are maintained in the new season, the increase in prices is expected to yield about £4 million more for dairy produce exports. Under the agreement recently concluded between the Government and the dairy industry (see July "Bulletin"), the full proceeds of these exports are to be used for the benefit of suppliers and/or dairy companies.

The Commission has also announced the guaranteed prices to local producers for the 1952-53 season. Producers of butterfat for butter are to receive 35.670 pence per lb. compared with 33.655 pence per lb. last season, while producers of butterfat for cheese are to receive 38.670 pence per lb. compared with 36.155 pence. The standard differential between butterfat for cheese and butterfat for butter is raised to three-pence per lb.

The structure of the guaranteed price for the season compared with the 1951-52 season is as follows:—

GUARANTEED PRICE STRUCTURE

(pence per lb butterfat)

	1951-52	1952-53
Farm working and maintenance	12.342	12.451
Interest on capital	3.240	3.240
Labour reward	19.613	21.519
	35.195	37.210
Less standard allowance for pigs	1.540	1.540
Basic price of butterfat for butter	33.655	35.670
Basic price of butterfat for cheese	36.155	38.670

In adjusting the labour reward, account has been taken of the standard wage pronouncement of the Arbitration Court issued on 12th July, 1952.

The prices at which butter and cheese will be purchased by the Commission for export compared with those for last season are:—

PURCHASE PRICE OF BUTTER AND CHEESE FOR EXPORT

(pence per lb.)

	1951-52	1952-53
Creamery Butter:		
Finest grade, 94 points and over	30.9516	32.6622
93 to 93½ points	30.8066*	32.5372*
First grade, 92 to 92½ points	30.7441	32.4747
90 to 91½ points	30.5566	32.2872
Second grade	30.0566	31.7872
Whey Butter:		
First grade	29.2521	31.6181
Second grade	28.7144	30.0804
Cheese:		
Finest grade, 94 points and over	17.3125	18.4125
93 to 93½ points	17.2150	18.3150
First grade, 92 to 92½ points	17.0000*	18.1000*
91 to 91½ points	16.9375	18.0375
Graded 88 to 90 points	16.2750	17.3750
Seconds 87 and under	15.8000	16.9006

* Basic price.

The Commission and the New Zealand Dairy Board have given details of payouts to be made from realisations of butter and cheese in the 1951-52 and 1952-53 seasons in addition to guaranteed price payments as follows:—

- (1) A monthly payment to dairy farmers during the 1952-53 season of ⅓ pence per lb. of butterfat used in manufacture of butter and cheese. This is to assist capital expenditure on farms and includes ⅓ pence per lb. from the 1951-52 season's proceeds.
- (2) A payment to dairy companies on the basis of ⅓ pence per lb. of butterfat received for manufacture into butter and cheese during the 1952-53 season as an interest-free loan for approved capital expenditure, such amount to be cancelled on production of evidence that the loan has been spent on approved capital works.
- (3) The balance of the net trading surplus, estimated at ⅓ pence per lb. butterfat to be paid to suppliers monthly during the 1953-54 season, unless during the 1952-53 season there occurs any material alteration in any of the factors on which the estimated net trading surplus was based.

Regional Analysis of Trading Banks' Advances

AS PART OF ITS POLICY of obtaining information on the New Zealand banking structure and also as an aid to the advance control policy, the Reserve Bank in 1951 asked the trading banks to co-operate in producing a regional analysis of their advances. The usual quarterly analysis of trading bank advances into various categories of borrowers has been further analysed into

geographical regions. The regions, eighteen in number, were marked out so as to separate as far as possible the main industrial and agricultural areas.

The table on this page shows the figures as at 25th June, 1952, and the map opposite indicates the position of the various regions.

REGIONAL ANALYSIS OF TRADING BANKS' ADVANCES as at 25th June, 1952

(£NZ. thousands)

(Published by courtesy of Associated Banks)

REGION	Farmers	Industries Allied to Primary Production		Other Manu- facturing and Productive In- dustries	Merchants, Wholesalers		Retailers	Private Individuals	All Others	TOTAL
		Dairy & Meat Co's, Freezing Works	Woolen Mills & Others		Mainly Importers	Others				
1 NORTHLAND	2,688	58	69	200	2	78	527	498	920	5,039
2 AUCKLAND	1,251	1,192	2,935	10,862	5,348	2,332	4,435	5,110	5,007	38,472
3 WAIKATO	5,360	323	181	742	161	93	1,252	1,454	1,850	11,414
4 KING COUNTRY	475	40	9	99	—	2	171	152	320	1,268
5 THAMES-TAUPO	1,301	18	100	512	21	26	451	816	774	4,019
6 EAST CAPE	1,194	158	77	110	20	24	425	458	619	3,086
7 TARANAKI	1,571	324	105	778	283	185	1,020	788	1,419	6,471
8 MANAWATU- RANGITIKEI	1,543	455	72	639	219	170	923	834	1,226	6,083
9 WAIRARAPA- HAWKE'S BAY	2,553	769	373	604	105	120	944	1,004	1,844	8,316
10 WELLINGTON	299	4,288	3,473	8,387	9,820	1,373	2,733	3,808	4,525	38,706
11 NELSON	383	143	97	164	40	61	306	218	373	1,788
12 WEST COAST	207	23	73	89	22	62	261	174	607	1,519
13 N. CANTERBURY- MARLBOROUGH	188	15	40	125	4	11	183	169	294	1,030
14 CHRISTCHURCH	455	2,856	1,562	3,720	2,811	801	2,193	774	1,530	16,702
15 CANTERBURY	718	272	515	388	13	25	573	294	1,205	4,005
16 OTAGO	404	181	234	106	13	1	197	112	409	1,657
17 DUNEDIN	216	182	2,030	4,284	830	628	1,693	717	1,437	12,018
18 SOUTHLAND	583	1,775	339	296	140	130	464	213	957	4,894
TOTAL	21,388	13,073	12,286	32,105	19,853	6,121	18,752	17,592	25,315	166,486

Shorter Notes

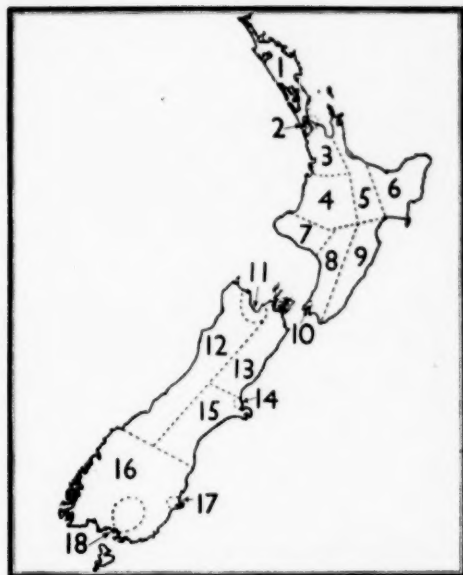
Gold Dealings

The Prime Minister, the Rt. Hon. S. G. Holland, announced that as from 16th August, 1952, New Zealand gold producers or their agents holding gold dealers' licences would be permitted to sell gold overseas on the open market, provided the full proceeds were received by the New Zealand banking system in United States dollars at not less than \$35 per fine ounce, and provided that an export licence and export permit had been granted by the Customs Department.

Licensed gold dealers, may now purchase gold from producers for sale either in New Zealand or overseas on their own account and may sell gold direct to local

professional and commercial users at prices arranged between the parties. The existing regulations remain in force and producers and dealers are required to make a formal offer to sell their gold to the Reserve Bank which will continue to buy gold at its official price. This price has been increased to £12. 5s. 0d. per fine ounce. Where it is indicated that it is desired to sell gold overseas or to local users, the Reserve Bank will not, normally, exercise its option to purchase. The Bank will not longer sell gold for local use.

On 20th August, 1948, the Gold Acquisition Notice, 1948, brought into force Regulation 5 of the Finance Emergency Regulations, 1940 (No. 2), whereby all gold producers were required to offer their entire produc-



tion to the Reserve Bank for purchase at the official price. The price originally fixed was £8. 8s. 6d. per fine ounce for gold delivered for sale in a cleaned and melted form. On 19th September, 1949, this price was increased to £12. 4s. 6d. following the devaluation of sterling.

Up to 20th August, 1952, 323,388 ounces of gold were offered for sale to the Reserve Bank in accordance with the arrangements made in August, 1948.

Interest Rates

The Government announced on 20th August that the maximum permissible rate of interest for local body loan issues had been raised from $3\frac{1}{4}$ to 4 per cent, at the request of local authorities, most of whom had found it impossible to raise loans at the lower rate. This increase brings the rate on new loans nearer to ruling market rates. In order to prevent a rush on the market, all loan authorities will be reviewed by the Local Body Loans Board and Orders-in-Council authorising loans at 4 per cent will at first be issued for immediate requirements only.

In post-war years most local bodies have been placing their loans with the large investing institutions. Several local bodies have now decided to return to the practice of issuing debentures over the counter.

External Trade Statistics

The Government Statistician has indicated that, as from January, 1952, the basis used for valuing imports will be the current domestic value (c.d.v.) of the goods in the country of export. The allowance of 10 per cent formerly added to cover insurance and

freight has been dropped. Individual commodity values will now be recorded on the new basis only, but class totals and the grand total of all imports will also be available on a c.i.f. basis.

Generally the current domestic value is approximately equivalent to the f.o.b. price, but not always so due to different domestic and export prices in the exporting country. Import figures for comparison with those of earlier periods can be obtained by adding 10 per cent to the current domestic value figures.

Wool Retention Accounts

As at 24th September, 1952, the balances held by trading banks in wool retention accounts totalled £27.4 million. Since January, 1952, a total of £4.8 million has been released under the arrangement whereby 20 per cent of the balances may be released each year, beginning in 1952.

European Payments Union

The European Payments Union, which began operations on 1st July, 1950, completed its second year on 30th June, 1952. An extension for a further year has been decided by the Council of the Organisation for European Economic Co-operation (O.E.E.C.).

The following are included in the terms under which the E.P.U. is extended:

- (a) the acceleration of gold payments by debtor countries on a new scale whereby partial gold settlements will start when the deficit of a member exceeds 10 per cent of its quota instead of 20 per cent in the past;
- (b) the prolongation by one year of the financial commitments of members of the Union;
- (c) the completion of special agreements with Belgium and Italy to deal with their position as chronic creditors to the Union;
- (d) the members guarantee to contribute \$100 million to E.P.U. if and when the convertible assets of the Union fall below \$100 million.

The E.P.U. is now to pay its own way, meeting its administrative expenses out of interest revenue. Previously this charge was met by the O.E.E.C.

PRINCIPAL NEW ZEALAND STATISTICS

Explanatory notes covering the table on pages 148 and 149 appear on page 88 of the June issue, subject to the following revision of the note "Trade and Exchange".

Trade:

To 1951 imports valued at current domestic value in the country of origin, plus 10 per cent; thereafter current domestic value in the country of origin. Exports valued f.o.b. including re-exports, ships' stores and gold. Monthly figures are twelve months running totals.

Balance of Exchange Transactions:

These figures are obtained from records of total receipts and payments of overseas currency by the banking system. Monthly figures are twelve months running totals.

[N.Z. thousands]

Liabilities and Assets

Average of Weekly Figures:		LIABILITIES					ASSETS								
		Demand Liabilities				Other	Reserve			Investments	Advances to State		Other Advances and Discounts	Other Assets*	
		Bank Notes	State	Banks	Wool Retention Account†		Gold	Sterling Exchange	Other* Exchange		Market's Orgins.	Other			
1945	41,123	12,228	43,972	—	1,012	2,802	60,064	—	11,797	2,085	24,163	—	1,455		
1946	45,169	17,302	59,731	—	524	2,802	81,332	—	5,991	961	35,127	—	1,396		
1947	47,682	13,265	57,102	—	483	2,802	85,300	—	4,576	1,157	28,510	5	1,046		
1948*	48,930	13,228	57,706	—	380	2,802	65,090	—	10,496	1,698	35,182	2,437	7,549		
1949	51,312	11,384	73,837	—	355	3,223	48,995	—	41,855	3,482	37,628	4,907	1,973		
1950	55,126	15,446	74,239	117	1,115	4,269	51,319	256	31,313	5,096	52,245	5,378	2,277		
1951	60,361	18,844	69,326	4,204	725	5,139	62,557	383	27,107	3,379	51,134	6,829	3,224		
Last Wednesday in Month:															
1951—Aug.	60,374	14,183	81,660	5,024	444	5,306	79,164	524	22,675	1,300	50,146	6,019	2,585		
Sept.	60,566	12,173	84,617	1,494	604	5,365	68,213	457	31,440	1,419	50,040	6,019	2,423		
Oct.	61,298	13,744	79,248	882	292	5,418	59,003	358	36,132	1,373	50,000	6,019	3,097		
Nov.	64,576	12,268	69,737	361	470	5,451	38,602	437	46,182	1,541	52,986	6,019	2,365		
Dec.	69,366	9,975	65,896	34	191	5,506	29,131	400	54,182	2,586	50,000	6,019	4,069		
1952—Jan.	63,837	12,256	62,841	61	299	5,578	22,620	1,467	54,182	2,774	50,000	6,019	2,974		
Feb.	62,217	22,149	54,396	—	687	5,638	19,786	1,566	54,182	4,805	50,012	6,019	4,023		
Mar.	62,205	33,605	24,643	—	604	5,714	21,756	510	34,182	6,321	50,000	6,019	3,215		
Apr.	62,600	22,235	33,210	—	529	5,749	23,019	406	32,182	5,985	50,000	6,019	2,416		
May	61,876	15,433	41,098	—	489	5,873	24,818	646	32,182	4,701	50,000	6,019	2,057		
June	61,225	11,530	44,426	—	429	5,913	20,741	1,703	32,182	4,812	50,000	6,019	3,683		
July	60,374	6,794	44,370	—	520	5,955	18,842	1,877	32,182	3,007	50,066	6,019	420		
Aug.	59,568	7,436	50,299	—	830	5,996	20,884	2,272	36,182	1,744	50,973	6,019	612		
Sept. 3	59,521	8,775	48,689	—	360	6,000	21,004	2,223	36,182	415	51,503	6,019	592		
10	59,271	7,071	50,549	—	316	6,007	20,828	2,239	36,182	507	51,552	6,019	480		
17	59,568	7,982	49,963	—	502	6,008	19,317	2,211	40,182	425	50,049	6,019	419		
24	59,331	6,231	56,029	—	445	6,008	17,842	2,321	40,182	764	54,691	6,019	882		

* On and after 20th August, 1948, overseas assets and liabilities converted to N.Z. currency at rate, £Stg 100 = £N.Z. 100; previously £Stg 100 = £N.Z. 124.

† Prior to 1950 the figures for "Wool Retention Accounts" are included under "Other Assets".

* Held temporarily pending transfer to Wool Retention Accounts at trading banks. See text page 19 of February, 1951, issue.

II—TRADING BANKS

Liabilities and Assets

[N.Z. thousands]

Average of Monthly Figures:	LIABILITIES (in New Zealand)				ASSETS					Unexercised Overdraft Authorities
	Demand	Time		Total Demand and Time Liabilities	Bankers' Cash*	Net O'seas Assets	Securities		Advances and Discounts	
		Wool Retention Accounts†	Other				Govt.	Other		
1945	99,836	—	31,634	131,470	52,402	13,647	29,335	2,473	51,618	40,274
1946	117,071	—	34,414	151,485	67,794	12,541	26,168	2,293	58,342	45,041
1947	128,115	—	37,870	165,984	66,041	13,295	20,913	2,124	76,247	46,669
1948*	138,211	—	40,403	178,614	68,814	13,464	16,953	1,942	86,470	50,650
1949	150,699	—	39,016	189,715	86,120	14,526	12,856	1,813	81,981	57,686
1950	167,526	—	39,787	207,313	86,674	17,362	11,730	1,677	94,065	64,178
1951	196,663	19,589	39,815	256,068	83,278	27,276	11,716	1,527	133,079	72,230
Last Wednesday in Month										
1951—Aug.	187,780	25,934	39,199	252,913	93,920	23,712	11,715	1,502	127,001	73,216
Sept.	194,575	29,962	39,781	264,317	97,276	18,802	11,715	1,499	133,030	70,061
Oct.	188,055	30,736	41,093	259,884	91,572	14,108	11,715	1,495	143,227	67,347
Nov.	186,477	31,726	40,364	258,567	85,554	13,401	11,715	1,485	147,336	68,482
Dec.	190,265	32,088	40,125	262,478	70,941	15,680	11,715	1,483	154,456	65,282
1952—Jan.	195,143	31,752	39,398	266,294	77,901	19,868	11,714	1,446	159,266	67,294
Feb.	197,216	30,756	39,382	267,354	68,360	22,694	11,714	1,432	166,164	66,883
Mar.	189,901	30,207	47,730	267,838	38,465	22,101	11,714	1,405	187,259	64,192
Apr.	192,133	29,446	39,091	260,670	46,018	17,796	11,714	1,389	186,623	63,755
May	193,481	29,062	39,013	261,557	53,922	18,213	11,714	1,379	179,862	69,937
June	192,186	28,672	38,573	259,430	56,753	19,526	11,714	1,376	173,056	68,825
July	181,615	28,093	37,904	247,612	55,860	16,622	11,687	1,285	171,224	67,700
Aug.	177,440	27,757	38,629	243,825	60,678	13,408	11,687	1,272	164,173	70,648

* Bankers' Cash includes Notes and Coin, and Balances at Reserve Bank. † See text pages 19 and 67 of February and May, 1951, issues respectively.

* On and after 20th August, 1948, overseas assets and liabilities converted to N.Z. currency at rate, £Stg 100 = £N.Z. 100; previously £Stg 100 = £N.Z. 124.

Last Wednesday in Month:	1949			1950			1951			1952		
	Total	Reserve Bank	Trading Banks	Total	Reserve Bank	Trading Banks	Total	Reserve Bank	Trading Banks	Total	Reserve Bank	Trading Banks
Jan.	64,809	46,862	16,498	63,360	58,413	32,482	90,895	58,490	19,868	78,359		
Feb.	69,865	49,179	18,125	67,304	65,198	34,053	99,251	56,670	22,694	79,364		
Mar.	74,975	54,076	20,100	74,175	68,254	31,504	99,758	56,662	22,101	78,764		
Apr.	77,728	58,362	23,924	82,285	72,410	30,000	102,410	57,035	17,796	74,831		
May	82,250	65,607	23,634	89,241	80,410	34,018	114,428	58,898	18,213	77,111		
June	79,987	68,411	18,605	87,016	83,824	39,492	123,316	55,062	19,526	74,588		
July	78,037	67,340	16,169	83,509	83,454	40,059	123,513	52,886	16,622	69,507		
Aug.	71,747	66,099	12,302	78,402	94,150	23,712	117,862	55,391	13,408	68,799		
Sept.	65,998	57,635	13,374	71,009	91,914	18,802	110,716					
Oct.	62,165	54,916	13,927	68,843	83,855	14,108	97,963					
Nov.	60,102	53,871	9,670	63,541	72,947	13,401	86,347					
Dec.	59,738†	50,971†	22,013†	72,984†	66,123†	15,680†	81,803†					

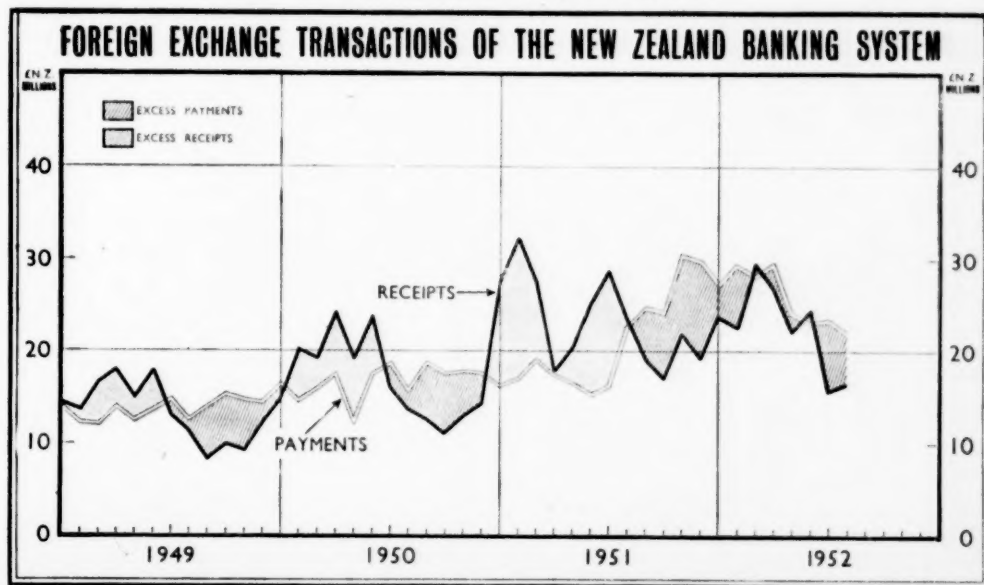
* Foreign exchange and overseas investments held by the New Zealand banking system in respect of New Zealand business, less overseas liabilities. The Reserve Bank figures include not only sterling exchange as formerly, but also other foreign exchange holdings and overseas investments. † Last Wednesday before Christmas.

(£N.Z. thousands)

2. Foreign Exchange Transactions of New Zealand Banking System

Calendar Month	1951					1952				
	RECEIPTS		PAYMENTS		Balance of Transactions	RECEIPTS		PAYMENTS		Balance of Transactions
	Exports	Other	Imports*	Other		Exports	Other	Imports*	Other	
Jan.	30,042	2,125	13,938	3,027	+15,202	20,368	2,272	27,296	2,072	- 6,728
Feb.	26,044	1,509	16,207	2,813	+ 8,532	24,674	4,589	25,276	2,949	+ 1,038
Mar.	15,546	2,188	14,773	2,485	+ 476	24,381	2,564	24,777	4,700	- 2,531
April	18,810	1,544	13,428	2,973	+ 3,953	18,967	3,208	20,704	3,434	- 1,963
May	23,626	1,484	12,765	2,357	+ 9,988	21,818	2,594	20,003	2,973	+ 1,436
June	26,862	1,995	12,976	3,220	+12,660	13,593	1,983	20,203	3,146	- 7,773
July	21,429	2,007	15,498	7,067	+ 871	13,927	2,438	19,034	2,983	- 5,652
Aug.	17,083	2,135	21,287	3,425	- 5,494	14,761	1,905	16,257	2,982	- 2,573
Sept.	15,322	1,771	21,842	2,524	- 7,273					
Oct.	19,707	2,025	26,959	3,479	- 8,706					
Nov.	18,189	995	26,853	2,898	-10,569					
Dec.	21,188	2,510	23,629	3,653	- 3,584					
Total	253,847	22,287	220,153	39,923	+16,057					

* Includes estimated payments for Government imports.



IV - PRINCIPAL NEW

SEE PAGE 145 FOR NOTES O

ANN

March Year	Mean Total Population	Farm Production		Factory Production†			Total Production		Value of Building Permits	Net National Income
		Value	Volume	Persons Engaged	Added Value	Volume	Value	Volume		
	(000)	£N.Z. millions	1938-39 = 100	(000)	£N.Z. millions	1938-39 = 100	£N.Z. millions	1938-39 = 100		
1938-39	1,611	81.9	100	89	30.5	100	136.1	100	12.1	194.1
1941-42	1,630	97.3	111	100	41.2	117	163.8	110	9.0	254.1r
1942-43	1,640	98.6	108	97	45.2	122	170.2	109	2.7	293.1r
1943-44	1,638	98.9	105	100	49.4	129	175.9	108	8.3	326.2r
1944-45	1,665	116.4	113	104	52.0	132	196.7	114	12.8	329.6r
1945-46	1,711	112.8	107	110	55.6	136	200.4	112	16.9	349.7r
1946-47	1,773	131.4	110	116	61.7	146	230.2	118	21.2	364.8r
1947-48	1,813	155.0	113	120	70.8	159	266.3	123	21.4	410.3r
1948-49	1,851	168.8	117	122	77.0	163	292.2	129	26.4	418.4r
1949-50	1,891	208.9	123	123	84.9	174	345.0	137	30.4	480.9r
1950-51	1,918	315.4*	126*	127	97.4*	183*	473.2*	141*	35.0	599.4r
1951-52	1,959									614.9*

† Excluding processing of primary products.

† Debt domiciled overseas is expressed in New Zealand

ANNUAL AND

Calendar Year	Trade		Balance of Exchange Transactions	Money and Banking						Monthly Bank Debits (excluding Govt.)	Credit Balances in Savings Accounts
	Exports	Imports		Notes in Hands of Public	Volume of Money	Net Overseas Assets (Revised Series)	Advances and Investments in New Zealand				
							Trading Banks	Reserve Bank			
N.Z. millions											
	Annual Totals			Average of Weekly Figs		Average of Monthly Figures					
1938	58.4	55.4	..	10.0	51.2	21.0	63.8	10.3	77.8	76.5	
1942	81.3	53.9	+14.0	21.5	100.8	38.5	73.2	32.9	87.4	90.8	
1943	71.9	95.2	+ 3.2	27.6	125.3	42.2	80.7	46.0	99.7	108.5	
1944	77.8	86.4	+27.7	32.1	137.2	49.8	85.4	47.3	106.5	132.5	
1945	81.5	55.1	+43.2	35.0	150.4	80.4	83.4	33.6	117.1	156.7	
1946	101.3	71.6	- 6.6	38.2	176.4	100.7	86.8	36.8	138.7	182.7	
1947	129.4	128.7	-25.9	40.1	184.3	102.6	99.3	30.6	175.0	217.0	
1948	147.8	128.2	+ 1.3	40.7	195.5	84.1	105.4	44.9	188.6	228.7	
1949	147.3	119.7	- 6.5	42.5	207.3	70.6	96.7	83.2	196.6	239.3	
1950	183.8	157.9	+14.5	45.2	232.7	75.1	107.5	90.6	243.8	253.6	
1951	248.1	206.5	+16.1	48.9	268.6	104.0	146.3	78.9	304.7	266.2	
1952										282.2	
Month	Total for Year Ended			As at last Balance Day				Total Monthly	As at End of Month		
1951—Apr.	194.7	154.9	+20.4	48.1	276.9	102.4	149.2	80.9	297.7		
May	201.6	159.8	+23.8	48.2	277.8	114.4	150.9	72.4	297.2		
June	207.7	164.9	+39.1	48.4	277.4	123.3	146.0	66.6	296.6		
July	214.6	166.0	+42.2	49.7	269.8	123.5	134.7	68.2	310.8		
Aug.	224.7	172.0	+42.8	49.5	255.5	117.9	140.2	67.5	299.1		
Sept.	230.1	177.0	+42.2	49.3	260.3	110.7	146.2	67.5	288.6		
Oct.	240.0	191.4	+38.2	50.2	256.0	98.0	156.4	71.4	332.0		
Nov.	247.4	199.3	+31.1	50.1	253.0	86.3	160.5	74.6	310.7		
Dec.	248.1	206.5	+16.1	54.9†	267.7†	81.8†	167.7†	80.6	305.0		
1952—Jan.	244.2	198.7	- 5.9	50.3	261.6	78.4	172.4	80.8	313.7		
Feb.	235.0	207.4	-13.4	49.7	273.4	79.4	179.3	82.9	358.6		
Mar.	248.9	224.4	-16.4	49.8	277.6	78.8	200.4	64.4	386.3		
Apr.	253.5	235.3	-22.3	51.1	269.7	74.8	199.7	62.0	315.8		
May			-30.8	50.5	263.5	77.1	193.0	60.8	311.6		
June			-51.3	50.3	258.0	74.6	186.1	60.9	279.5		
July			-57.8	50.1	242.9	69.5	184.2	59.1	297.7		
Aug.				50.5	240.0	68.8	177.2	62.8	269.6		

† Last Wednesday before Christmas.

ZEALAND STATISTICS

N CONTENTS OF THIS TABLE

UAL

Sources: Census and Statistics Department
Labour Department

National Income				Public Finance			Public Debt			March Year
Wages and Salaries	Personal Consumption	Private Savings	Gross Capital Formation	Total Taxation	Current Expenditure		Overseas †	Internal	Total	
					Social Security	Other				
£N.Z. millions										
111.1	160	16	43	37.8	..	42.9	131.4	146.2	277.6	1938-39
120.6	..	..	..	68.2	13.5	107.4	128.3	230.8	359.0	1941-42
126.7	..	..	..	87.9	15.9	189.4	132.8	304.7	437.5	1942-43
140.4	175	82	40	100.8	17.6	206.5	133.6	366.7	500.4	1943-44
147.0	..	..	..	108.7	19.3	179.9	133.8	403.3	537.1	1944-45
161.8	..	..	..	114.9	23.0	189.9	95.2	472.7	568.0	1945-46
186.3	249r	68	85	113.1	36.8	130.4	95.2	483.0	578.2	1946-47
210.1	285r	83	133	122.3	40.4	115.0	83.8	494.1	577.9	1947-48
226.9	343r	24r	67	130.4	43.0	127.6	80.6	534.4	615.0	1948-49
252.9	350r	81	120	135.6	46.4	111.7	78.8	565.1	643.9	1949-50
276.6r	406r	129r	170r	157.9	49.4	119.9	77.8	589.4	667.2	1950-51
325.2*	449*	80*	178*	200.6	54.2	144.3	77.8	575.8	653.6	1951-52

currency at the rate £Stg 100 = £N.Z. 100 = £A 125.

* Provisional.

MONTHLY

Govt. Security Yield	Share Prices Index (All groups)	Consumers' (Retail) Price Index		Wholesale Prices Index			Export Prices Index	Wage Rate Index	Retail Sales—Selected Items (Wellington Area)	Unemployed	
		Food	All Groups	Locally Produced	Imported	All Groups					
Uniform Base: First Quarter, 1949 = 1000											
Annual Averages											
Per cent									March Year 1951=100	Number	Calendar Year
3.81	681	713	718	656	524	570	513	669	..	34,748	1938
3.20	688	811	838	793	773	780	594	756	..	2,736	1942
3.18	799	816	856	801	852	833	618	780	..	1,096	1943
3.18	871	829	872	819	881	858	649	788	..	913	1944
3.18	916	829	884	835	894	873	699	855	..	677	1945
3.01	1012	830	891	849	891	875	764	887	..	368	1946
3.00	1069	881	919	909	909	908	957	921	..	83	1947
3.03	1035	995	992	998	1022	1012	1059	983	..	61	1948
3.00	999	1023	1009	1018	1000	1005	1027	1038	..	88	1949
3.07	1121	1123	1066	1155	1061	1093	1440r	1109r	..	34	1950
3.08	1223	1292	1183	1349	1237	1275	1686r	1261r	106	29	1951
									94		1952
Monthly Figures											
											Month
3.02	1230	1243	1169	1303	1203	1238	1406r	106	24	1951—Apr.	
3.00	1234	1262		1305	1233	1262		119	60	May	
3.03	1246	1288		1327	1246	1274		107	53	June	
3.03	1238	1301	1207	1348	1251	1285	1370r	107	31	July	
3.06	1228	1327		1379	1273	1311		107	32	Aug.	
3.08	1232	1330		1346	1276	1301		92	45	Sept.	
3.15	1227	1343	1237	1380	1299	1328	1447r	94	34	Oct.	
3.24	1172	1380		1447	1320	1364		111	19	Nov.	
3.38	1134	1422		1453	1318	1366		157	19	Dec.	
3.52	1095	1393	1253	1447	1368	1396	1405	86	19	1952—Jan.	
3.80	1018	1371		1426	1402	1411		91	15	Feb.	
3.87	1032r	1356		1424	1397	1406		94	16	Mar.	
3.67	1019	1395	1270				1297r	102	16	Apr.	
3.57	1019	1408						114	38	May	
3.80	1006	1436						101	48	June	
3.80	1015	1438					1305	106	50	July	
3.81		1425								Aug.	

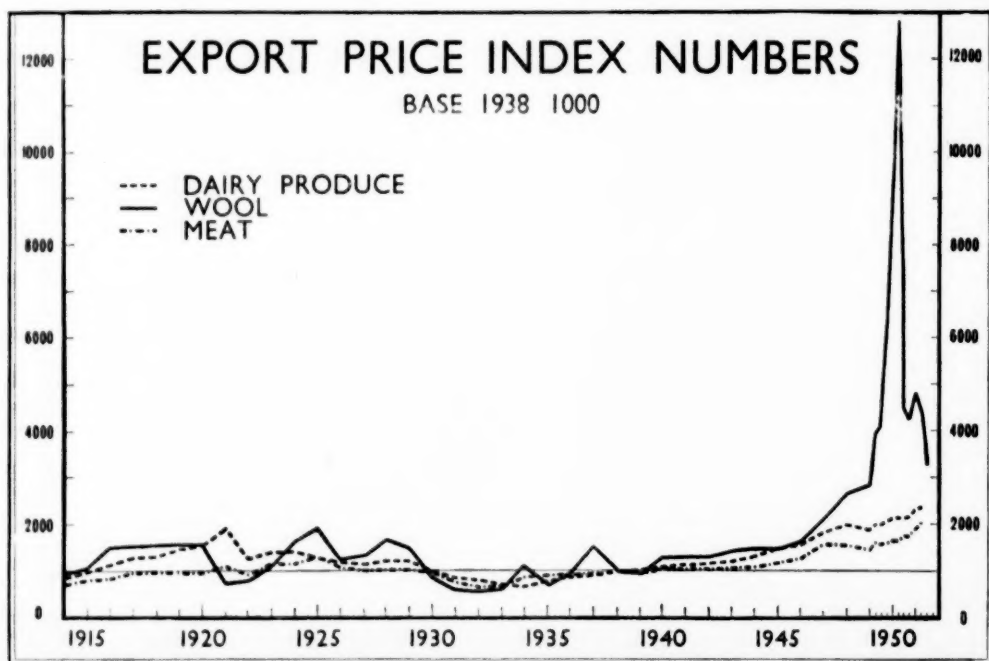
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V-EXPORT PRICE INDEX NUMBERS

Base 1938 = 1000*

Source: Census and Statistics Department.

Calendar Year	Dairy Produce	Meat	Wool	All Groups Combined	Calendar Year	Dairy Produce	Meat	Wool	All Groups Combined
1914	852	683	935	797	1933	693	665	571	655
1915	997	795	1039	906	1934	634	866	1082	811
1916	1127	818	1467	1068	1935	755	900	699	806
1917	1269	946	1508	1211	1936	864	911	941	914
1918	1283	955	1511	1232	1937	902	942	1503	1053
1919	1418	950	1532	1299	1938	1000	1000	1000	1000
1920	1503	968	1531	1321	1939	1017	933	934	969
1921	1879	1090	710	1253	1940	1094	1025	1280	1115
1922	1236	922	786	997	1941	1113	1031	1280	1136
1923	1362	1147	1083	1178	1942	1144	1030	1280	1160
1924	1373	1150	1617	1308	1943	1183	1047	1426	1207
1925	1256	1266	1900	1385	1944	1294	1088	1463	1268
1926	1164	1059	1213	1127	1945	1487	1161	1463	1364
1927	1136	1006	1298	1116	1946	1545	1285	1613	1492
1928	1220	1028	1636	1231	1947	1809	1555	2092	1869
1929	1204	1043	1454	1187	1948	1988	1538	2665	2067
1930	997	977	853	939	1949	1879	1449	2830	2004
1931	817	743	577	720	1950	2018	1570	5883	2811
1932	772	633	531	653	1951	2183	1753	7142	3292
Quarterly:					Quarterly:				
1950—Mar.	1976	1572	3933	2339	1951—June	2126	1721	4507	2745
June	1975	1549	4088	2391	Sept.	2153	1745	4224	2675
Sept.	2035	1563	6343	2905	Dec.	2297	1873	4790	2825
Dec.	2130	1622	9502	3699	1952—Mar.	2355	2022	4401	2743
1951—Mar.	2151	1639	12865	4443	June			3267	

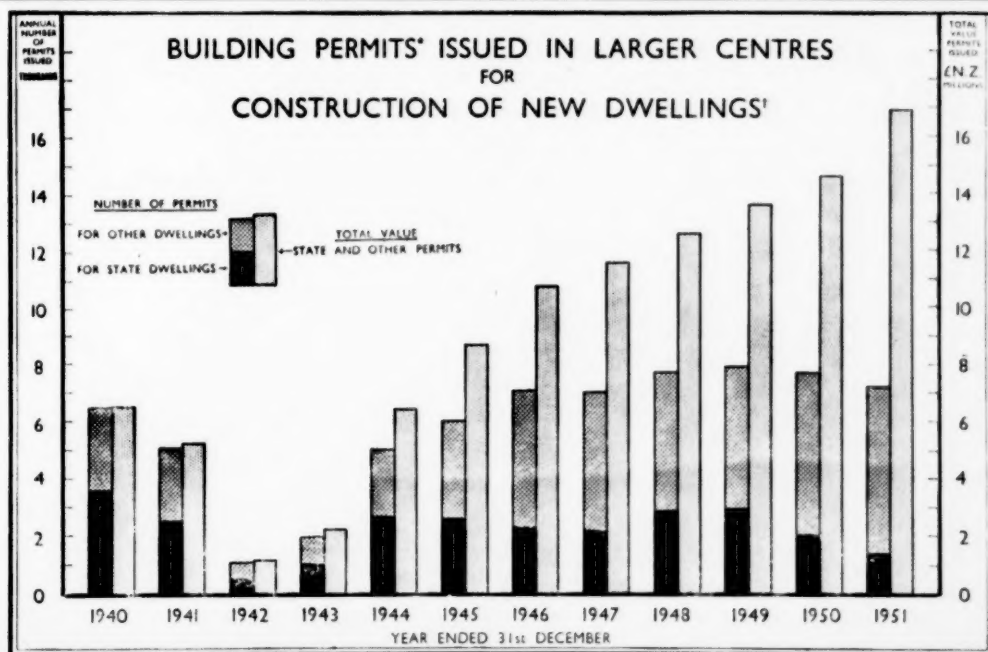


* Recalculated from Government Statistician's Index, Base: 1909-13 = 1000.

VI-BUILDING PERMITS IN LARGER CENTRES*

Source: Census and Statistics Department

Year Ended 31st December	New Buildings								Alterations and Additions	Total Permits
	Dwellings Only †				Other Buildings		Total			
	State Scheme‡	Others	Total		No.	Value (£ 000)	No.	Value (£ 000)	Value (£ 000)	Value (£ 000)
	No.	No.	No.	Value (£ 000)						
1939	3,301	3,384	6,685	6,570	384	2,188	7,069	8,758	1,563	10,321
1945	2,592	3,415	6,007	8,693	433	1,692	6,440	10,385	2,215	12,600
1946	2,288	4,761	7,049	10,786	499	3,107	7,548	13,893	2,920	16,813
1947	2,222	4,808	7,030	11,562	396	1,952	7,426	13,514	2,575	16,089
1948	2,871	4,846	7,717	13,415	389	2,256	8,106	15,671	3,010	18,680
1949	2,944	4,974	7,918	14,461	630	2,138	8,548	16,599	4,772	21,371
1950	2,028	5,661	7,689	15,462	713	2,984	8,402	18,446	5,961	24,407
1951**	1,385	5,814	7,199	16,900	806	5,687	8,005	22,587	6,731	29,318
Monthly§										
1951—June	151	802	953	2,148	97	372	1,050	2,520	544	3,064
July	152	817	969	2,137	78	381	1,047	2,518	563	3,081
Aug.	167	878	1,045	2,396	119	450	1,164	2,846	759	3,605
Sept.	196	821	1,017	2,346	120	594	1,137	2,940	1,067	4,008
Oct.	137	822	959	2,196	136	330	1,095	2,526	680	3,206
Nov.	190	753	943	2,117	102	1,090	1,045	3,207	748	3,955
Dec.	81	558	639	1,474	91	381	730	1,855	439	2,295
1952—Jan.	121	501	622	1,499	81	774	703	2,273	478	2,750
Feb.	144	608	752	1,800	82	494	834	2,294	740	3,034
Mar.	183	664	847	1,949	136	1,255	983	3,204	1,444	4,648
Apr.	182	569	751	1,807	125	813	876	2,620	596	3,215
May	168	590	758	1,809	109	636	867	2,445	723	3,167
June	163	535	698	1,690	110	501	808	2,191	640	2,831



* Includes particulars of new buildings and alterations commenced by State Departments although permits may not actually be issued. † Includes flats, each being counted as a separate dwelling.

‡ Dwellings commenced by the Housing Construction Branch of the Public Works Department, including houses for State Departments. In addition, some dwellings have been constructed by this Branch in districts not covered by these statistics.

§ Figures not comparable with year ended 31st December figures. From April, 1951, figures from additional local authorities included in statistics.

** Figures are comparable with earlier years as the additional local authorities (from which returns have been received since 1st April, 1951) are omitted.

VII—AUSTRALIA

Sources: Commonwealth Statistician
I.M.F. Statistics

	EMPLOY- MENT (Ead. Kural, H'hold, Domestic & Defence Forces)	PRODUCTION			BANKING		TRADE		WAGES AND PRICES				
		Pig Iron Production (000 tons)	Butter Production (tons)	Building Permits & Capital Cities (£A000)	Advances Major Private Banks (£A millions)	Foreign Assets of Common- wealth Bank; (£A millions)	Exports (excl. gold)	Imports Merchandise	Export Prices		Weekly Wage Rates Nominal	Retail Prices C Series & Capital Cities	
									Wool	All Groups (excl. gold)			
										Base: Av. 3 yrs. to June, 1919 = 100		Base: Av. 3 yrs. to June, 1919 = 1000	
June-Year		Monthly Averages				Last Wkd. in June	Annual Totals						
1938-39	1,730.2†	92.1	16,232	2,353	288.18	35	122,544	113,220	79	82	1044	1029	
1948-49	2,451.2†	87.1	13,424	5,577	368.68	392	542,604	414,060	365	348	1757	1528	
1949-50	2,546.9†	91.5	14,037	7,129	403.9	584	613,572	536,124	473	399	1913	1669	
1950-51	2,630.3†	110.4	13,322†	10,426	479.3	810	981,660	741,876	999	690	2298	1906	
1951-52		118.0	..	..	621.4	388	669,360†	1,049,544†	564	492	..	2337
	Monthly	†	† Monthly Totals			Last Wkd. in Month	†	†	† Monthly †				
1950-51—Oct.	2,543.6	138.3	19,933	9,800	465.0	624	86,672	54,700	890	634	} 2291	1853	
Nov.	2,572.4	118.8	21,279	10,783	476.5	647	95,778	57,691	965	674			
Dec.	2,595.7	107.4	20,658	7,369	490.5	654	72,233	49,562	973	678			
Jan.	2,590.4	86.8	18,201	9,599	482.0	658	98,826	62,179	1252	816	} 2367	1932	
Feb.	2,608.0	86.8	13,800	10,095	495.3	697	85,143	67,393	1339	859			
Mar.	2,612.8	99.4	12,627	10,867	507.2	752	94,563	58,437	1437	912			
Apr.	2,623.2	115.5	8,848	13,079	502.3	779	136,036	68,063	1094	747	} 2507	2067	
May	2,629.4	111.6	6,595	12,942	496.9	798	98,660	76,020	973	689			
June	2,630.3	107.0	5,746	11,833	509.5	810	79,746	75,818	717	562			
1951-52—July	2,633.0	106.7	7,017	11,792	527.6	800	58,294	80,712	717*	572	} 2629	2191	
Aug.	2,634.0	124.6	9,135	12,906	541.6	779	45,879	80,167	551	490			
Sept.	2,627.7	120.6	11,541	10,187	568.5	736	39,133	94,933	498	465			
Oct.	2,630.7	121.5	16,797	11,184	593.8	676	57,293	111,089	686	556	} 2771	2303	
Nov.	2,643.1	127.3	16,103	9,384	620.7	570	66,910	97,649	603	512			
Dec.	2,635.5	128.1	13,939	7,788	624.8	522	49,656	68,338	581	503			
Jan.	2,627.7	129.8	12,381	7,612	638.6	456	64,382	113,760	566	495	} 2878	2366	
Feb.	2,628.0	119.4	9,536	8,287	654.6	411	56,750	105,893	520	472			
Mar.	2,627.7	128.1	10,225	8,248	664.1	412	66,866	85,378	460	442			
Apr.	2,614.4	119.8	9,149	8,593	667.9	404	59,479	81,441	475	448	} ..	2488	
May	2,602.8	96.7	8,228	9,306	675.6	396	51,891	75,298	543	474			
June	..	93.0	..	..	691.2	388	52,831	54,888	566	480		

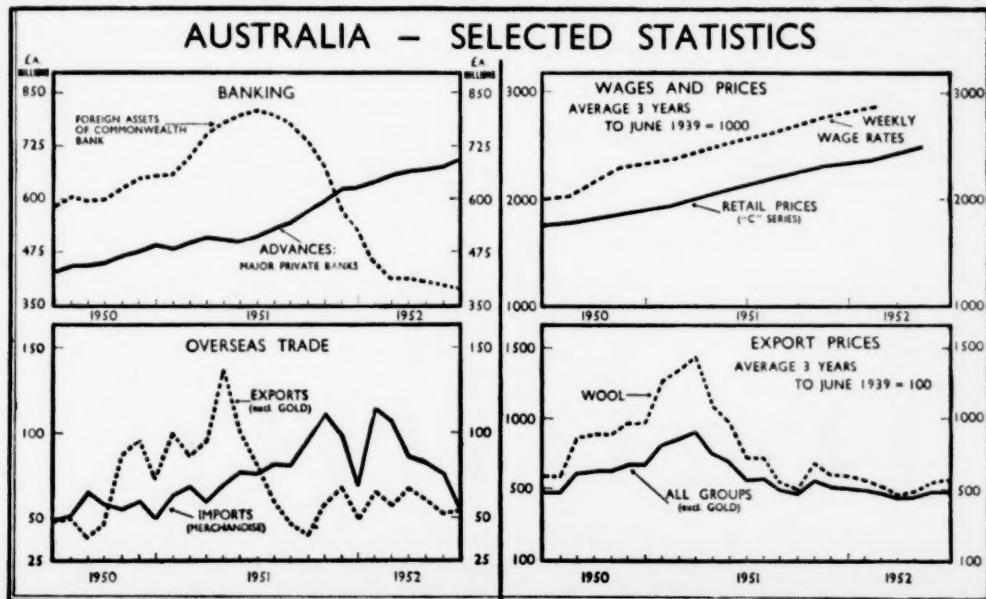
† Figure or series subject to revision.

* Nominal.

‡ Slight changes in the methods of computation during these years.
 † As at July, 1938-39; May, 1948-49; June, 1950-51 and 1951-52.

? Overseas assets of Commonwealth excluding small amounts held by Treasury and other banks.

† As at July, 1938-39; May, 1948-49; June, 1950-51 and 1951-52



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